

## **CAPITAL IMPROVEMENT PLAN HIGHLIGHTS**

The City of Danville's Capital Improvements Plan (CIP) is a five-year presentation of proposed major capital projects for all municipal funds. Included are projects providing for blight removal, economic development, River District renovation, construction, replacement or rehabilitation of public facilities, technology infrastructure, major street improvements, equipment replacement, and utility infrastructure. Careful consideration is given annually to developing a CIP that is economically feasible, prudent, and provides long-term benefits for the safety and well-being of the community.

The CIP is categorized into General Fund and Utility Fund projects. The proposed 2015-19 Five-Year CIP provides for total revenues and expenditures of \$136,489,050 of which FY 2015 projects total \$23,603,250 .

### **FUNDING**

#### ***Bonds***

This CIP includes the issuance of \$9,415,150 in General Obligation Bonds during FY 2015 to fund industrial site development, River District projects, and gas main extension to the Mega Park. This represents approximately 4.00% of FY 2015 funding sources. Projects funded with bonds are not included in the Budget Appropriation Ordinance. These projects are appropriated by a Bond Appropriation Ordinance.

Pursuant to Chapter 9, Section 9.7 (A), (D), (E), and (F) of the City Charter issuance of the following may be authorized by City Council without voter's approval:

- Up to \$6 million of bonds in any one fiscal year to finance capital expenditures excluding capital improvements related to water, sewer, gas, or electric improvements.
- Up to \$10 million of bonds in any one fiscal year to finance capital expenditures relating to the City's water, sewer, gas, electric systems, or other undertaking from which the City may derive a revenue.
- Up to \$25 million of bonds or notes in any one fiscal year for capital expenditures relating to the City's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, recycling facilities, and any extraordinary maintenance improvements or expansions of transmission, distribution infrastructure for the electric or gas systems.
- Refunding bonds issued to refinance existing debt.

### ***State Funding***

Grants from the Virginia Department of Transportation (VDOT) Revenue Sharing program provide funding for Public Works street projects and State Contribution-in-Aid funds support Utility projects. FY 2015 proposes funding in the amount of \$1,350,000, approximately 0.57% of FY 2015 project funding.

### ***State Aid to Localities***

Virginia Fire Service Program provides funding for qualified projects. These projects are required to fund purchases not included in the Fire Department's operating budget. With the 1987 annexation, these funds were used in combination with General Fund current revenues to pay debt service for lease-purchases of fire apparatus equipment. In FY 2004 a Fire Apparatus Replacement Program was instituted to provide pay-as-you-go funding of new fire trucks and equipment. Fire pumper trucks have an average life of 15 years and ladder trucks 20 years. The FY 2015 CIP includes \$225,000 toward the Apparatus/Equipment Plan with State funding in the amount of \$120,000.

### ***Current Revenues***

This category provides total FY 2015 funding in the amount \$7,356,600 of representing 3.12% of FY 2015 funding sources. Utility revenues provide \$5,235,000 while the General Fund provides support of \$2,121,600.

### ***Unreserved Fund Balance***

Transfers from the unreserved fund balance is \$1,661,500 from the General Fund and represents 0.70% of project funding.

## **PROJECTS**

### **General Fund**

***Community Development*** – There is no funding request in FY 2015 for the Comprehensive Blight Removal. City Council approved \$1,750,000 in the FY 2014 CIP and also appropriated an additional \$3,000,000 from the General Fund Balance. This project will benefit the City by eliminating approximately 400 derelict structures and repair of approximately 200 owner-occupied structures. Reduction in property blight should stimulate improvement in the housing market and reduce demands on municipal services. The City's image as a great place to live, work, and raise a family will be enhanced.

***Economic Development*** – Due to the relative success of Danville's economic development efforts the past ten years, the City is running out of usable industrial park

property. The *Economic Development Industrial Site Development* will develop industrial properties in Danville to increase the tax base and spur job growth.

**River District Projects** – The revitalization of the River District is a top priority for the City. Projects include Main Street Improvements and River District Wayfinding Signage. The goal is to foster and catalyze private investment, which will ultimately enhance the quality of life for current residents and attract visitors and new residents to Danville.

**Fire Department** – Projects for the Fire Department include *the Fire Apparatus/Equipment Replacement Plan*, plus projects to asphalt and resurface fire station parking lots and access drives and roof replacement for West Main and Third Avenue Fire Stations.

**Information Technology** – Technology continues to change and the City needs to stay current with the latest infrastructure, end-of-life replacements of hardware and enhancements that will make the organization more efficient and effective. Projects in this category include the *Computer Plan* providing for infrastructure needs, *Enterprise Resource Planning* providing upgrades and enhancements to the City's ERP system, and *Application Enhancements* to streamline processes and provide departments and other user groups with reliable access to information and services. There are no planned expenditures for the City's GIS system for FY 2015.

**Parks and Recreation** – Projects in this category include upgrades, maintenance, and renovations to *American Legion Stadium*, *Facilities Improvements*, *Park Improvements*, *Riverwalk Trail*, and *Park Paving Projects*. Maintaining modern recreational facilities is important to maintaining Danville's favorable quality of life.

**Police** – Projects in the Police Department include *Public Safety Radio Upgrade*, *SWAT Tactical Equipment Upgrades*, *In-Car Video Camera Replacement*, and *Video Surveillance System in the River District*. The Adult and Juvenile Detention Facilities fall under the oversight of the Police Department. The *Adult Detention Facility Improvements* have been a continuing project since 2002. This is a multi-faceted and comprehensive approach to renovating the facility. The *Juvenile Detention Parking Lot Expansion* will provide much needed parking for both staff and visitors.

**Public Works** – *General Maintenance of Building and Grounds* provides for major repairs and maintenance of city-owned buildings. An annual appropriation for this project is included each year. Annual provision for roof and HVAC replacements of City buildings has been added to the Five-Year CIP. Roofs and HVAC systems are aging and there is a need to establish a plan to address these areas. A continuation of the City's *Wayfinding Signage* project is scheduled for funding beginning FY 2016. Revenue Sharing funds from VDOT will provide 50% funding for the *Emergency Vehicle Traffic Control Signal*, and *River District Street Improvements*. The State Enhancement Grant program is anticipated to provide 75% funding for the *Northside Riverwalk Trail Extension –Central Blvd to Piedmont Dr.* scheduled for FY 2015.

**Transportation Department** – In the past, Federal and State grants have provided approximately 90% of the funding for airport projects. The *Rehabilitation of Crosswind Runway 13/31* is scheduled for FY 2017; however, there are no Federal or State grants available. The City will continue to monitor and pursue grant funding as we move forward. In addition, a *High Intensity Beacon* has been requested to replace the existing medium beacon to improve visibility for pilots locating the airport.

### **Utility Funds**

**Sewer/Wastewater** - Public Works sewer projects include annual funding for *Sewer Line Reconstruction* and *New Sewer Lines/Inflow and Infiltration Reduction*. Other major sewer projects scheduled include the final installment to complete the *Pumpkin Creek Sewer Line Replacement*. FY 2018 proposes funding for the *Pumpkin Creek Tributary Sewer Line* and *Luna Lake Road Sewer Lines*. Wastewater Treatment Plant plant projects for FY 2015 include *NSWWTP Full SCADA Implementation* and *NSWWTP Clarifier No. 2 Rehabilitation*. *Phase III of the Northside Plant Process Modifications* is scheduled to be funded beginning FY 2016.

**Water** – Many of the City's water mains and service lines are old and deteriorating and have outlived their expected life. The *Water Line Reconstruction* project is a multi-year effort to address the replacement of pipelines causing continuous problems. The *Holland Road Water Main Extension* project will provide service to the largest unserved area of the City and is scheduled to begin FY 2016. Construction for *The Water Treatment Plant Improvements-Phase III* is scheduled to begin FY 2018. Design is scheduled to begin FY 2015.

**Gas** – The *Cast Iron Main Replacement* project began in 1994 to replace old cast iron and steel pipelines that have deteriorated and can present a safety hazard. As with the water project, the *Holland Road Gas Main Extension* will provide service to the largest unserved area of the City and is scheduled to begin FY 2016. The *Gas Main Extension-Mega Park* is scheduled for FY 2015 with the issuance of General Obligation Bonds.

**Electric** – Annual funding is provided for *Line Rebuilds and Reconductoring*. The *Distribution Automation System* is an electricity load management project scheduled for FY 2016 and FY 2017. Substation projects include annual funding beginning FY 2016 for the *25Kv Voltage* and *Substation Upgrades and Rebuilds*. The *Downtown Underground Conversion* and the *Purchase of a Mobile Substation* are to be funded with reprogrammed funds. The *Weatherization – Energy Efficiency* program was implemented in September 2010 to provide Danville Utilities Power & Light division with the necessary revenue to continue funding our energy efficiency incentive, education, and customer outreach programs.

**Telecommunications** – *nDanville Phase 3 – Fiber to the Home* continues the installation of fiber optics. The deployment will continue to expand nDanville into residential neighborhoods while operating debt free.

## **PROJECT SUMMARIES**

On the following pages are five-year CIP summary tables listing all capital projects by Fund/Department and FY 2015 funding sources for General Fund, Gas Fund, and Electric Fund projects. Section 2 contains 5-year summaries for each fund.

**ALL FUNDS**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015 - 2019**

<b>Fund/Department</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>5 Yr Total</b>
<u><i>General Fund</i></u>						
Non-Departmental	\$ 150,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 400,000	\$ 2,350,000
Community Development	-	750,000	650,000	650,000	300,000	2,350,000
Economic Development	3,610,000	4,050,000	3,950,000	3,950,000	3,950,000	19,510,000
Fire Department	273,000	624,000	349,800	465,000	489,000	2,200,800
General Assembly - Circuit Court	420,000	-	-	-	-	420,000
Information Technology	732,500	700,000	700,000	1,000,000	-	3,132,500
P/W - Building & Grounds	700,000	620,000	653,000	590,000	674,000	3,237,000
P/W Engineering & Street	2,655,600	2,600,000	1,800,000	1,800,000	2,800,000	11,655,600
Police - Administration	774,000	20,000	-	-	16,000,000	16,794,000
Police - Juvenile Detention	51,150	-	-	-	-	51,150
Police -Adult Detention	350,000	350,000	155,000	-	220,000	1,075,000
Recreation	742,000	379,000	325,000	267,000	225,000	1,938,000
Transportation Services	10,000	-	4,200,000	-	-	4,210,000
<b>General Fund Total</b>	<b>\$ 10,468,250</b>	<b>\$ 10,693,000</b>	<b>\$ 13,382,800</b>	<b>\$ 9,322,000</b>	<b>\$ 25,058,000</b>	<b>\$ 68,924,050</b>
<u><i>Wastewater Fund</i></u>						
Sewers	\$ 1,250,000	\$ 1,150,000	\$ 1,200,000	\$ 1,300,000	\$ 2,000,000	\$ 6,900,000
Wastewater Treatment	350,000	450,000	1,000,000	400,000	400,000	2,600,000
<b>Wastewater Fund Total</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>	<b>\$ 2,200,000</b>	<b>\$ 1,700,000</b>	<b>\$ 2,400,000</b>	<b>\$ 9,500,000</b>
<u><i>Water Fund</i></u>						
Distribution	\$ 500,000	\$ 1,120,000	\$ 5,240,000	\$ 6,230,000	\$ 1,000,000	\$ 14,090,000
Water Treatment	635,000	300,000	400,000	400,000	300,000	2,035,000
<b>Water Fund Total</b>	<b>\$ 1,135,000</b>	<b>\$ 1,420,000</b>	<b>\$ 5,640,000</b>	<b>\$ 6,630,000</b>	<b>\$ 1,300,000</b>	<b>\$ 16,125,000</b>
<u><i>Gas Fund</i></u>						
Distribution	\$ 5,200,000	\$ 1,580,000	\$ 3,800,000	\$ 3,400,000	\$ 1,500,000	\$ 15,480,000
<b>Gas Fund Total</b>	<b>\$ 5,200,000</b>	<b>\$ 1,580,000</b>	<b>\$ 3,800,000</b>	<b>\$ 3,400,000</b>	<b>\$ 1,500,000</b>	<b>\$ 15,480,000</b>
<u><i>Electric Fund</i></u>						
Distribution	\$ 2,700,000	\$ 2,580,000	\$ 2,610,000	\$ 1,360,000	\$ 1,360,000	\$ 10,610,000
Load Management	-	1,000,000	1,000,000	-	-	2,000,000
Sub-Stations	2,000,000	5,500,000	1,000,000	1,000,000	1,000,000	10,500,000
Miscellaneous	-	3,000,000	-	-	-	3,000,000
<b>Electric Fund Total</b>	<b>\$ 4,700,000</b>	<b>\$ 12,080,000</b>	<b>\$ 4,610,000</b>	<b>\$ 2,360,000</b>	<b>\$ 2,360,000</b>	<b>\$ 26,110,000</b>

**ALL FUNDS**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015 - 2019**

<b>Fund/Department</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>5 Yr Total</b>
<u><i>Telecommunications</i></u>						
Distribution	\$ 500,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 500,000	\$ 2,350,000
<b><i>Telecommunications Total</i></b>	<b>\$ 500,000</b>	<b>\$ 450,000</b>	<b>\$ 450,000</b>	<b>\$ 450,000</b>	<b>\$ 500,000</b>	<b>\$ 2,350,000</b>
	<u><b>\$ 23,603,250</b></u>	<u><b>\$ 27,823,000</b></u>	<u><b>\$ 30,082,800</b></u>	<u><b>\$ 23,862,000</b></u>	<u><b>\$ 33,118,000</b></u>	<u><b>\$ 138,489,050</b></u>
<b>Funding:</b>						
General Fund Revenues	\$ 2,121,600	\$ 9,273,000	\$ 12,562,800	\$ 8,502,000	\$ 23,738,000	\$ 56,197,400
General Fund Balance	1,661,500	-	-	-	-	1,661,500
Aid to Localities-VA Fire Program	120,000	120,000	120,000	120,000	120,000	600,000
Debt Financing	9,415,150	-	-	-	-	9,415,150
Utility Fund Revenues	5,235,000	8,030,000	8,160,000	7,410,000	8,060,000	36,895,000
State Grants	1,350,000	1,300,000	700,000	700,000	1,200,000	5,250,000
Other (Reprogrammed Funds)	3,700,000	-	-	-	-	3,700,000
Bonds	-	8,100,000	7,540,000	7,130,000	-	22,770,000
<b>Total Funding-All Funds:</b>	<u><b>\$ 23,603,250</b></u>	<u><b>\$ 26,823,000</b></u>	<u><b>\$ 29,082,800</b></u>	<u><b>\$ 23,862,000</b></u>	<u><b>\$ 33,118,000</b></u>	<u><b>\$ 136,489,050</b></u>

**GENERAL FUND**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015**

	Fund Balance	Debt Financing	Current Revenues	Grants/CIA	Other	Total
<u>Information Technology</u>						
Enterprise Resource Planning Enhancements & Upgrades	\$ 426,500	\$ -	\$ -	\$ -	\$ -	\$ 426,500
Computer plan	-	-	252,500	-	-	252,500
Application Enhancements	-	-	53,500	-	-	53,500
	<u>\$ 426,500</u>	<u>\$ -</u>	<u>\$ 306,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 732,500</u>
<u>Police</u>						
Juvenile Detention Parking Lot Expansion Phase II	\$ -	\$ 51,150	\$ -	\$ -	\$ -	\$ 51,150
Public Safety Radio Upgrade	-	405,000	-	-	-	405,000
Video Surveillance System in the River District	-	189,000	-	-	-	189,000
SWAT Tactical Equipment Upgrade	-	-	20,000	-	-	20,000
In-Car Video Camera Replacement	-	-	160,000	-	-	160,000
Adult Detention Facility Improvements	-	350,000	-	-	-	350,000
	<u>\$ -</u>	<u>\$ 995,150</u>	<u>\$ 180,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,175,150</u>
<u>Fire</u>						
Fire Station Roof Replacement	\$ -	\$ -	\$ 23,000	\$ -	\$ -	\$ 23,000
Fire Apparatus and Equipment Replacement Plan	-	-	225,000	-	-	225,000
Asphalt Resurfacing of Parking and Emergency Access Drives	-	-	25,000	-	-	25,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,000</u>
<u>Public Works</u>						
Roof Replacement - City Buildings	\$ -	\$ -	\$ 275,000	\$ -	\$ -	\$ 275,000
HVAC Replacement - City Buildings	-	-	275,000	-	-	275,000
General Maintenance of Buildings & Grounds	-	-	150,000	-	-	150,000
Opera Alley Improvements	-	-	55,600	-	-	55,600
Emergency Vehicle Traffic Control Signal	50,000	-	-	50,000	-	100,000
River District Street Improvements	-	500,000	-	500,000	-	1,000,000
River District Street Landscaping - Non VDOT	-	-	100,000	-	-	100,000
Stormwater Improvements	-	200,000	-	-	-	200,000
General Street Improvements	-	200,000	-	200,000	-	400,000
Northside Riverwalk Trail Extension - Central Blvd. to Piedmont Dr.	-	200,000	-	600,000	-	800,000
	<u>\$ 50,000</u>	<u>\$ 1,100,000</u>	<u>\$ 855,600</u>	<u>\$ 1,350,000</u>	<u>\$ -</u>	<u>\$ 3,355,600</u>
<u>Parks Recreation Tourism</u>						
Riverwalk Trail	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 25,000
Park Improvements	-	-	115,000	-	-	115,000
Facility Improvements	-	-	115,000	-	-	115,000
Parks Paving Projects	-	-	87,000	-	-	87,000
American Legion Stadium	-	400,000	-	-	-	400,000
	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 342,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 742,000</u>



**GENERAL FUND**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015**

	Fund Balance	Debt Financing	Current Revenues	Grants/CIA	Other	Total
<i><u>Economic Development</u></i>						
E/D River District Purchase Plan	\$ 460,000	\$ 2,300,000	\$ -	\$ -	\$ -	\$ 2,760,000
E/D Industrial Site Development	750,000	-	-	-	-	750,000
China Strategy Implementation	100,000	-	-	-	-	100,000
	<u>\$ 1,310,000</u>	<u>\$ 2,300,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,610,000</u>
<i><u>Transportation Services</u></i>						
High Intensity Beacon	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>
<i><u>General Assembly</u></i>						
Danville Circuit Courtroom No.2	\$ -	\$ 420,000	\$ -	\$ -	\$ -	\$ 420,000
	<u>\$ -</u>	<u>\$ 420,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 420,000</u>
<i><u>Non-Departmental</u></i>						
River District Wayfinding Signage	-	-	150,000	-	-	150,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>
<b>Total Projects:</b>	<u><u>1,786,500</u></u>	<u><u>5,215,150</u></u>	<u><u>2,116,600</u></u>	<u><u>1,350,000</u></u>	<u><u>-</u></u>	<u><u>10,468,250</u></u>

**GAS FUND**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015**

	Debt Financing	Current Revenues	Fund Balance	Other	Total
<u>Distribution</u>					
Cast Iron Replacements	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Gas Main Extensions - Mega Park	4,200,000	-	-	-	4,200,000
<b>Total Projects</b>	<b>\$ 4,200,000</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,200,000</b>

**ELECTRIC FUND**  
**CITY COUNCIL ADOPTED BUDGET - CAPITAL PROJECTS - FY 2015**

	Debt Financing	Current Revenues	Fund Balance	Other	Total
<u>Distribution</u>					
Downtown Underground Conversion	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000
Line Rebuilds and Reconductoring	-	1,000,000	-	-	1,000,000
Mobile Substation	-	-	-	1,750,000	1,750,000
<b>Distribution Total</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ 3,450,000</b>	<b>\$ 4,450,000</b>
<u>Sub-Stations</u>					
Bridge Street Perimeter Enhancements	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
<b>Sub-Stations Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>
<b>Total Capital &amp; Non-Capital Projects:</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ 3,700,000</b>	<b>\$ 4,700,000</b>